

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 27, 2010

James Patten Red Leaf Resources, Inc. 200 West Civic Center Drive, Suite 190 Sandy, Utah 84070

Subject: Reclamation Surety Required and Reclamation Contract, Red Leaf Resources, Southwest #1,

S/047/0102, Uintah County, Utah

Dear Dr. Patten:

The referenced Notice of Intent to Commence Small Mining Operations (NOI), received by the Division December 8, 2010, is complete with the exception of the reclamation bonding requirement and reclamation contract. The reclamation surety is determined to be \$150,393.00. The calculation for this amount was included in the NOI, and it includes five acres of disturbance, site equipment and the plugging of the water well on site. This site currently has an exploration permit with a bond of \$42,100.00. The exploration permit will be closed after the new permit is approved.

Please submit the additional reclamation surety and reclamation contract within the next 30 days. No additional mining related disturbance may be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety may be submitted in one of several forms, including an irrevocable letter of credit, a certificate of deposit, cash, or a surety bond. Please contact Penny Berry at (801) 538-5291 or by e-mail at bondcoordinator@utah.gov for assistance in completing this requirement.

Please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257 if you have any questions regarding this letter. In reply please refer to file number S0470102.

Sincerely.

Paul B. Baker

Minerals Program Manager

PBB:lah:pb

cc: SITLA, Jblake@utah.gov

Penny Berry, DOGM

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